

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U 338-E) For Authority to, Among Other Things, Increase Its Authorized Revenues For Electric Service in 2003, And to Reflect That Increase in Rates.

Application 02-05-004
(Filed May 3, 2002)

Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service and Facilities of Southern California Edison Company.

Investigation 02-06-002
(Filed June 6, 2002)

**ADMINISTRATIVE LAW JUDGE'S SECOND RULING ON
NOTICES OF INTENT TO CLAIM COMPENSATION**

1. Introduction

Pursuant to § 1804(a)(1), The Greenlining Institute (Greenlining) and Latino Issues Forum (LIF) jointly filed a notice of intent (NOI) to claim compensation for their participation in this general rate case (GRC) of Southern California Edison Company (SCE).¹ In accordance with § 1804(b), this ruling provides a preliminary determination that Greenlining/LIF will be eligible to claim an award of compensation.

This ruling also addresses an October 18, 2002 addendum that The Utility Reform Network (TURN) filed regarding its previously filed NOI in this proceeding.

¹ Citations to sections herein are to the Public Utilities Code.

2. Greenlining/LIF NOI

2.1 Timeliness of Filing

Section 1804(a)(1) requires that a customer who intends to seek compensation shall file and serve an NOI within 30 days of the prehearing conference. Greenlining/LIF filed its NOI on October 28, 2002, prior to the second prehearing conference that was held on November 1, 2002. I conclude that the NOI was timely filed.

2.2 Customer Status

To be eligible for compensation, a participant in a formal Commission proceeding must establish that it is a “customer” according to one of three definitional categories set forth in § 1802(b):

“Customer” means any participant representing consumers, customers, or subscribers of any electrical, gas, telephone, telegraph, or water corporation that is subject to the jurisdiction of the commission; any representative who has been authorized by a customer; or any representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers, but does not include any state, federal, or local government agency, any publicly owned public utility, or any entity that, in the commission’s opinion, was established or formed by a local government entity for the purpose of participation in a commission proceeding.

Greenlining is a public policy research and advocacy coalition representing the interests of Latino, Asian-American, African-American, and low-income communities. LIF is a separate “501(c)(3)” organization dedicated to representing the interests of Latinos. Greenlining/LIF states that its members and constituents are purchasers of energy services from California utilities. It estimates that LIF and its members represent a constituency that is divided 85%/15% between residential and small business customers respectively, and

that this division is 75%/25% among the members of Greenlining. Greenlining's by-laws authorize it to represent the interests of low-income communities, minorities, and residential ratepayers before regulatory agencies and courts. LIF's by-laws authorize it to represent the interests of low-income communities, Latinos, and residential ratepayers before state and federal regulatory agencies and courts.

Decision (D.) 98-04-059 (Conclusion of Law 5, p. 88) requires a participant seeking compensation to explain how it meets the definition of customer. Greenlining/LIF has met this requirement, and has demonstrated that it is a Category 3 customer as defined in § 1802(b), i.e., a "representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers."

2.3 Interests Represented

The Commission has directed customers to address whether they will be representing customer interests that would otherwise be underrepresented, as described in D.98-04-059 and § 1801.3(f). (D.98-04-059, mimeo. at pp. 27-28 and Finding of Fact 13, p. 83.) Greenlining/LIF states that it is unique in that it brings to the table the perspectives, experiences, and interests of low-income and minority consumers with little to no disposable income – in particular those who would be most deeply affected by energy rate increases.

Greenlining/LIF has adequately addressed the Commission's requirement to discuss in its NOI its representation of interests. We note its commitment to coordinate with other intervenors to avoid duplication of effort and to assist the Commission's efforts to protect consumers. Greenlining/LIF is reminded that substantial duplication of effort could potentially lead to a reduction in any award of compensation for which it might otherwise be entitled.

2.4 Significant Financial Hardship

Under § 1804(a)(2)(B), a showing of significant financial hardship may be made in the NOI or deferred until the request for compensation is filed.

Pursuant to § 1804 (b)(1), a finding of significant financial hardship shall create a rebuttable presumption of eligibility for compensation in other Commission proceedings commencing within one year of the date of that finding.

Greenlining/LIF cited to earlier proceedings in which it received findings of significant financial hardship, but it did not cite to a finding made within one year of the commencement of this proceeding. Greenlining/LIF agrees that if the Commission deems it necessary, it will make a showing of hardship with its request for compensation. Pursuant to § 1804, Greenlining/LIF must do so.

2.5 Planned Participation and Estimate of Compensation

Section 1804(a)(2)(A) provides that the NOI shall include both a statement of the nature and extent of a customer's planned participation and an itemized estimate of the compensation that the customer expects to request.

Section 1804(b)(2) provides that in ruling on the NOI, the ALJ may address, among other things, any unrealistic expectations of compensation.

Greenlining/LIF has fulfilled these requirements. While still formulating a full and complete plan regarding the nature and extent of its participation, it is able to state that it will evaluate SCE's customer service programs, seek to ensure that SCE provides safe and reliable service at reasonable cost while keeping the needs of low-income and other vulnerable consumers in mind, and seek to represent low-income and no-English speaking consumer in general.

Greenlining/LIF notes that this includes an examination of the diversity of SCE's workforce, the compensation of its executives, and its philanthropic contributions.

Greenlining/LIF's estimate of the total compensation in the amount of they expect to request, \$107,500 does not appear to be unrealistic for extensive participation in a major GRC.

3. TURN Addendum

TURN filed an NOI in this proceeding on July 15, 2002, and by ruling issued on August 27, 2002 it was found to be eligible to claim compensation. In an addendum filed on October 18, 2002, TURN updated its original NOI to increase the estimate of compensation that it expects to request. TURN did so based on revisions to the scope of the proceeding subsequent to the filing of the original NOI.

TURN's initial estimate of expected compensation was \$314,700. On August 8, 2002, the Assigned Commissioner issued a ruling requesting supplemental testimony on several issues. On September 9, 2002, the assigned Administrative Law Judges in Application 99-08-024 and this proceeding issued a joint ruling transferring certain issues related to 1997-1998 capital additions to this proceeding. TURN estimates that the addition of these issues will require it to expend additional time and resources. TURN estimates that its requested compensation will increase by \$53,100 to a total of \$367,800.

As TURN correctly notes, there is no requirement for an intervenor to update its compensation estimate. Accordingly, no specific action with respect to the addendum is required.

Therefore, **IT IS RULED** that:

1. Greenlining/LIF timely filed a notice of intent to claim compensation in this proceeding.
2. Greenlining/LIF is a customer as defined by § 1802(b).

3. Greenlining/LIF has fulfilled the requirements of § 1804(a)(2)(A) by providing a statement of the nature and extent of its planned participation and an itemized estimate of the compensation it expects to request.

4. Greenlining/LIF must include a showing of significant financial hardship in any request for compensation that it files in this proceeding.

5. Greenlining/LIF may seek compensation in this consolidated proceeding.

Dated January 8, 2003, at San Francisco, California.

/s/ MARK S. WETZELL

Mark S. Wetzell

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Second Ruling on Notices of Intent to Claim Compensation on all parties of record in this proceeding or their attorneys of record.

Dated January 8, 2003, at San Francisco, California.

/s/ TERESITA C. GALLARDO
Teresita C. Gallardo

N O T I C E

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